

NEW SOUTH WALES.

BUSINESS STATISTICS - 25TH JULY, 1940.

Rapid re-employment followed resumption of coal production. The enlarged programme for war industries presages further industrial expansion. Trading proceeds actively in most fields; the motor trade is an exception. Petrol rationing is to begin on Sept. 1. Building prospects are uncertain. The banking situation strengthened in 1939-40. British contracts for dairy produce and dried fruits have been renewed. Dry weather persists, and the rural outlook is disquieting.

C O N T E N T S.

PART.

I SEASON: Rain urgently needed.

EXPORT PRICES & EXTERNAL TRADE CONDITIONS. Export prices steady. U.K. contracts for butter and cheese, dried and canned fruits. Budget, trade, and food policy in U.K. American surplus products - U.S. proposal.

CURRENCY RELATIONSHIPS: Sterling exchange brought under full control - Virtual end to the free market in New York.

WOOL: Conditions in U.K. and U.S.A. Problem of absorption.

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BUTTER: Production low. Renewal of British contract for butter and cheese.

METALS: Tin and silver prices firm in London.

II BANKING, N.S.W. Private business in private trading banks - June Qr., 1940.

WHOLESALE TRADE: Employment - June, 1940. Sales May and Jan.-May, 1940.

RETAIL TRADE: Employment - June, 1940. Sales (Sydney) - May and Mar.-May, 1940.

SAVINGS BANKS, N.S.W. Amount on Deposit and Open Accounts at 30th June, 1940.

III EMPLOYMENT, N.S.W. Mid-June, 1940.

MANUFACTURING INDUSTRIES: Employment (N.S.W.) - Mid-June, 1940. Sales, etc., 42 Large Factories - May and Jan.-May, 1940.

BUILDING PERMITS: (Metropolis) Value and No. of Dwellings - June, and Jan.-June, 1940.

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GAS & ELECTRICITY: Index of Consumption (Sydney) - June, 1940.

WIRELESS LICENSES: Licenses in force at 30th June, 1940.

PART I. PRIMARY AND EXPORT INDUSTRIES.

SEASON. Light rain arrested deterioration in limited inland areas, but the need of copious rainfall is State-wide. Large tracts of the wheat belt are in a critical condition; pastures generally are failing and unless rain soon falls many lambs may be lost. The Upper Hunter Valley is drought-stricken and parts of the Coast also need rain. The Irrigation Areas orange crop is expected to be very satisfactory.

EXPORT PRICES AND EXTERNALTRADE CONDITIONS.

Australian export prices are steady at a level approximating the average for the prosperous years 1936 to 1938. Index numbers (Commonwealth Bank) of export prices in Australian currency in recent years were:-

	<u>Av. 1931-33</u>	<u>1936-37</u>	<u>1937-38</u>	<u>1938-39</u>	<u>1939-40</u>	<u>June, 1940.</u>
Index No.	56.6	91.8	82.3	66.5	77.7	81.8

Continuance of satisfactory prices for wool, butter and cheese, dried fruits, canned fruits, eggs and metals is assured by contracts with the British Government. The meat contract expires in September and its renewal is not yet certain. The British Government is to buy the entire Australian 1940 surplus of canned apricots, peaches and pears valued at about £700,000. There may be greater difficulty in shipping commodities oversea. Rural production in 1940-41 seems unlikely to be as great as in 1939-40.

A supplementary British budget presented on July 23 has the two-fold purpose of increasing revenue to meet rising expenditure (now at the rate of £57m. a week) and of curbing consumption. The standard rate of income tax is increased from 7s. 6d. to 8s. 6d. in the £, duties on beer, tobacco, etc. are increased, and a modified Purchases Tax will bear heavily on luxury and non-essential consumption. Reversing an earlier decision the Treasury will publish monthly figures of the floating debt.

British trade in June 1940 suffered a reverse due to Italy's entry into the war and the fall of France. Imports were 10% and exports 9% less in value than in June, 1939. A full allocation of raw materials is now available to exporters and the export drive is to continue.

It seems that dietary considerations and efforts to increase home production may dominate Britain's food policy, to reduce demands on shipping to a minimum. Australia's meat trade, possibly, may be affected.

Share prices in London and New York show no clear trend.

The U.S. Congress has been asked by the President to authorise the Export-Import Bank to lend \$500 m. for the purchase of Latin-American surplus products to avert those nations being compelled to bargain "as best they can". At the same time Mr. Cordell Hull at Havana proposed that the Pan-American Conference should consider plans "for the temporary and orderly marketing of accumulated surpluses". These proposals, if adopted, may have far-reaching effects upon international trade in primary commodities impinging upon prospects for absorption of Australian wool, wheat, etc.

CURRENCY

RELATIONSHIPS. It was officially announced in London that from July 18 sterling would be quoted at the same rate in New York as in London. Under a system of registered accounts, transfers between British and United States residents and vice versa will be effected at the official rate. Exchange control is virtually complete and sterling is no longer a freely exchangeable international currency, but now circulates in strictly bilateral channels. The effect is to stop up the gaps

/through.....



PART I. (Continued.)

through which there was some leakage of sterling resources, and simultaneously to assure a stabilised rate for all commercial transactions between British and American interests. It is known that there were earlier consultations between the British authorities and the New York Bankers' Foreign Exchange Committee, and it is probable that this latest step was made in agreement with the American authorities.

Some semblance of a free market still remains in New York, though only minor exchanges are being transacted.

RATES OF EXCHANGE - BRITISH AND UNITED STATES CURRENCIES.

<u>Average</u> <u>Aug., 1939.</u>	<u>May</u> <u>1940.</u>	<u>June,</u> <u>1940.</u>	<u>July, 1940.</u>	
			<u>13</u>	<u>20</u>

Dollars to £ sterling.

London on				
New York (Official)	4.61	4.03	4.03	4.03
New York on				
London (Open market)	4.61	3.28	3.64	3.71
				3.90

WOOL. Wool shorn in western districts is now arriving in Sydney. Shearing rates this season (36s. per 100 flock sheep) are 6d. a hundred higher than last season's rates. It is expected that the 1940-41 clip will be lighter owing to adverse conditions in recent months. The first appraisements for 1940-41 will begin in Sydney on August 19. The final distribution for the 1939-40 season, to be made on July 26, will place £10,622,782 in Australian growers' hands.

Although the British Government will pay for all wool as appraised, shipping difficulties, and probably, failure of a proportion of supplies to go into consumption, may necessitate storage of much wool in Australia. Provision is being made to meet such a contingency.

British mills are busy on Government orders but civilian and export business is very quiet. American manufacturers have much military work in prospect. Wool tops in Boston are from 20 to 25 per cent. below prices in September, 1939. With European users cut off from supplies, Britain, Japan and the United States are the only potential large-scale buyers of raw wool. Japanese exports of woollen goods have declined.

The same average price (13.4375d. a lb.) will be paid for this season's as for the 1939-40 clip.

WHEAT. In Chicago, which is now the only great free market, wheat futures have shown a slight further decline and are now about 30 per cent. lower than at the beginning of May. The redundancy of supplies, satisfactory harvest in the United States and limited world marketing opportunities are factors causing the fall in prices.

The European harvest is forecasted by the United States Department of Agriculture as 1,360 m. bus. compared with 1,700 m. bus. last year and an average of 1,500 m. bus. in 1930-34. The German News Agency indicates a decrease in cereal production. The British harvest is likely to be above average. European crops benefited from recent timely rain. Present indications are that Australia cannot expect to harvest more than 140 to 150 m. bus. in 1940-41.

In Sydney trading in wheat has been very quiet. The Australian Wheat Board announced a reduction of  $\frac{1}{2}$ d. a bushel (to 4s. 3 $\frac{1}{2}$ d.) for truck lots, bagged, (produce) wheat on July 20 - the first price change since April 12. Other quotations continue at (per bushel, f.o.r., Sydney) 4s. 3d. for bagged wheat and 4s. for bulk wheat for local flour and small export orders. No recent export sales, either

of wheat.....

PART I. (Continued.)

of wheat or flour, have been reported.

The price of flour locally is steady at £12. 10s. a ton, including tax.

PRICES OF WHEAT IN NEW SOUTH WALES.

Bulk Wheat.	Season ended Nov.			June		July 25, 1940.
	1931-35	1937	1939	1939	1940	
	Shillings and pence per bushel.					
Ex trucks, Sydney	2 9½	5 3	2 5	2 5½	4 0(b)	4 0 (b)
Equivalent, ex-farm at country siding (a)	2 2½	4 8	1 9½	1 10	(c)	(c)

- (a) Exclusive of bounty. (b) Prices for sale for local consumption.  
(c) The first advance gave farmers about 2s. 1d. (net) a bushel. A further substantial payment may accrue if the unsold wheat is sold satisfactorily.

BUTTER. A considerable amount of butter is coming to New South Wales to supplement local production which is at a very low level. Most dairy-ing districts are in urgent need of rain to restore pastures and assure satisfactory spring production.

Butter at wholesale is steady at 158s. 8d. a cwt. in New South Wales, Queensland and Victoria.

On July 17 it was announced that the contract for the sale of Australian butter and cheese to the United Kingdom had been renewed for the year ending June, 1941 without variation of conditions or prices. The undertaking is to buy 100,000 tons of butter and 20,000 tons of cheese and to consider purchase of any additional quantities available for export. During 1939-40 Australia shipped about 110,000 tons of butter to the United Kingdom, but current seasonal prospects indicate that the exportable surplus in 1940-41 may be considerably smaller than that of last season.

The assurance of a profitable market for all butter and cheese produced is of great moment in view of the difficulties confronting the marketing of agricultural products under existing conditions.

In the United Kingdom the new ration of 6 oz. of butter or margarine and 2 oz. of animal lard per person was applied as from July 22, 1940.

PRICES OF BUTTER - EXPORT AND LOCAL.

	Average - Seasons ended June.				July 21	
	1929-32	1933-36	1937-39	1939.	1939	1940.
	Shillings (Australian) per cwt.					
Export Parity	135	88	122	123	125	137(a)
Local Sales	173	134	150	159	159	159

- (a) Agreed price for British purchase, 1940-41.



PART I. (Continued.)

METALS. British Ministry of Supply fixed prices for lead (£25) spelter (£25. 15s.) and electrolytic copper (£62) - per ton, sterling prices, duty paid, delivered to buyer - are unchanged.

Notwithstanding the fixation of the tin marketing quota at the unprecedented level of 130 per cent. of standard tonnages for the year 1940-41 the open market price of tin in London remains very firm - fluctuating about £stg.265 per ton. This may be attributed to the arrangements for U.S. purchases (See B.S. 1940/7B). The price of silver - also a free market - tended higher over the past week or so, and the quotation of 1s. 10<sup>7</sup>/<sub>16</sub>d. an oz. in London on July 23 was above the average for any month since December, 1939, except June, 1940.

PRICES OF TIN AND SILVER - LONDON (ENGLISH CURRENCY.)

	<u>Aug.,</u> <u>1939</u>	<u>May,</u> <u>1940.</u>	<u>June,</u> <u>1940.</u>	<u>July, 1940.</u>	
				<u>1st.</u>	<u>23rd.</u>
Tin (ton)	£229. 19s.	£264. 6s.	£273. 13s.	£257. 15s.	£267. 2s.6d.
Silver (oz.)	1s.5.7d.	1s. 9.9d.	1s. 10.7d.	1s. 9.7d.	1s. 10.4d.

PART II.

PART II.

FINANCE AND TRADE.

BANKING. The banking situation in Australia improved greatly in the financial year 1939-40. A large increase in income from exports facilitated pursuit of the policy of cheap and plentiful money, the groundwork of which was laid by judicious credit expansion initiated late in 1938. Credit stringency has disappeared. The use of credit, however, is subject to checks imposed by the Commonwealth Treasurer with the advice of the Investment Advisory Board, and generally is confined to purposes serving the national war effort or maintaining essential civil activities.

Statistics of private business in private trading banks in New South Wales showed a small increase in deposits from March Qr., to June Qr., 1940 and for that period a smaller increase in advances than is usual. Movements between June Qrs. of the past four years are compared below. In 1939-40 deposits increased more than in any recent year and advances were reduced by £4.3 m. (reflecting the enlarged national income, which made repayments possible). As a result deposits exceeded advances by £8.7 m. contrasting with an excess of advances over deposits of £6.2m. in June Qr., 1939.

Private Deposits and Advances - Private Trading Banks in N.S.W.

Changes in year ended June. (Increase + Decrease - )

	<u>Fixed</u> <u>Deposits.</u>	<u>Current</u> <u>Deposits.</u>	<u>Total</u> <u>Deposits</u>	<u>Advances.</u>	<u>Excess of</u> <u>Deposits Over</u> <u>Advances.</u>
	£m.	£m.	£m.	£m.	£m.
1937	+ 4.8	+ 4.6	+ 9.4	+ 2.2	+ 7.2
1938	+ 1.8	+ 1.3	+ 3.1	+ 14.1	-11.0
1939	+ 1.7	+ 0.9	+ 2.6	+ 3.3	- 0.7
1940	+ 1.6	+ 9.0	+10.6	- 4.3	+14.9 /

/ i.e. Movement from excess of advances of £6.2 m. to excess of deposits of £8.7 m.

The rural season at present is unpromising and the export outlook is uncertain, and it is possible, if conditions deteriorate, that farmers will seek more credit. Expansion of industry to meet war needs and to replace essential imports no longer obtainable may also require additional finance. On the other hand, curtailment of un-essential enterprise and buoyant internal business conditions may enable credit resources to be husbanded for the war effort.

Particulars illustrating the situation in New South Wales are as follow:-

/PRIVATE.....



PART II. (Continued.)

PRIVATE BUSINESS IN PRIVATE TRADING BANKS IN NEW SOUTH WALES.(a)

(Aggregate Quarterly Averages).

Quarter ended-	Deposits.			Advances	Excess of Deposits over Advances.
	Fixed	Current	Total		
	£m.	£m.	£m.	£m.	£m.
1929 - June	63.6	47.7	111.3	100.8	10.5
1931 "	63.5	34.9	98.3	97.4	1.0
1936 "	56.3	44.6	100.9	102.6	(-) 1.7
1937 "	61.1	49.2	110.3	104.8	5.5
1938 "	62.9	50.5	113.4	118.9	(-) 5.5
1939 - March	64.5	51.5	116.0	119.5	(-) 3.5
June	64.6	51.4	116.0	122.2	(-) 6.2
1940 - March	65.9	60.4	126.3	116.9	9.4
June	66.3	60.4	126.7	117.9	8.8

(a) Excluding Commonwealth and Rural Banks and excluding Government deposits and Government securities in private trading banks.

(-) Denotes excess of advances over deposits.

WHOLESALE TRADE. On May 3, 1940 the rate of sales tax was increased from 6% to  $8\frac{1}{3}\%$ . Partly because of prior anticipatory buying and possibly affected by the coal strike, sales by registered wholesalers in May, 1940 (£14.85 m.) were well below the recent average and less than in May of the preceding three years. In the five months ended May, however, sales in 1940 were 2.4 per cent. above the value in 1939. As the figures include sales of war goods direct from factories to the Government, and as commodity prices have risen (about  $4\frac{1}{2}\%$  during the war) there was probably a somewhat smaller turnover of civilian goods; the motor trade is a field in which business has decreased greatly.

Employment in wholesale trade is relatively steady. In June 1940 the number of persons employed by wholesale firms in New South Wales with ten or more employees (25,871) was 659 greater than in June, 1939 or 1938.

WHOLESALE TRADE - NEW SOUTH WALES.

Year.	Sales by Registered Traders.			Persons Employed by Wholesalers with Ten or more employees.	
	Month of May	Five Months ended May.	Increase over Jan.-May of Preceding Year.	May.	June.
	£m.	£m.	Per cent.	No.	No.
1932	10.17	49.30	(-) 1.1	17,638	(June, 1933).
1937	16.50	76.76	20.0	24,718	24,474
1938	16.87	79.41	3.4	25,598	25,212
1939	17.46	78.81	(-) 0.8	25,701	25,212
1940	14.85	80.67	2.4	25,732	25,871

Minus sign (-) denotes decrease.

RETAIL TRADE. Early this month the Commonwealth Treasurer asked the public to restrict spending on imported and luxury goods as much as possible in order to free resources for the more vigorous prosecution of the war. This appeal for voluntary curtailment of consumption is reinforced by import and investment control and rising prices of

/imported.....

## PART II. (Continued.)

imported goods, but as yet there has been no marked change in the turnover of goods at retail selling.

Employment in shops is much the same as one and two years ago, but tends to increase a little in the City of Sydney and the Newcastle district, and to decrease in country towns. Persons employed in New South Wales in retail firms with ten or more employees increased by 5,368 between June 1936 and 1938 but decreased by 299 between June 1938 and 1940. Particulars of employment in June of the last five years are:-

## EMPLOYMENT IN RETAIL TRADE - NEW SOUTH WALES.

	Sydney		Newcastle District.	Country Towns.	Total N.S.W.
	City	Suburbs			
	Persons employed (firms with 10 or more employees).				
June, 1936	33,364	3,887	2,237	8,165	47,653
1937	34,959	3,977	2,363	8,578	49,877
1938	36,567	4,001	2,540	8,813	51,921
1939	36,487	4,058	2,557	8,565	51,667
1940	36,698	3,956	2,577	8,391	51,622

City Shops. In May, 1940 sales in a group of large shops in Sydney were 7 per cent. greater in amount than in May, 1939. Increases were recorded under all headings other than furniture (-15.6%) and sports and travel goods (-13.1%). Piece goods (+11.2%) Women's wear (+11.4%) and Men's and Boys' wear (+14.4%) showed the larger increases. Sales in these shops in the three months ended May, 1940 were 4.5 per cent. greater in value than in March-May, 1939. The average number of employees was 1.2 per cent. greater in May, 1940 than in May, 1939 and the amount paid in salaries and wages had increased by 3.2 per cent.

SAVINGS BANKS. Depositors held £82,111,000 in savings banks in New South Wales on June 30, 1940. Exclusive of interest added (approx. £1,540,000 in 1940) there was a decrease of £4,586,000 during June, 1940, compared with a decrease of £150,000 in June, 1939 and an increase of £230,000 in June, 1938. The factors in this heavy movement include loan subscriptions, purchases of war savings certificates and withdrawals by aliens and by others for hoarding, but the relative importance of these is not ascertainable. The decrease of nearly 8,000 in the number of open accounts during June, 1940 may be significant.

Over the year ended June, 1940, withdrawals exceeded deposits by £6,881,000, due mainly to operations in May and June. Exclusive of interest additions in June there was a decrease of £18,000 in 1938-39 and an increase of £2,588,000 in 1937-38.

## SAVINGS BANKS IN NEW SOUTH WALES.

	Depositors' Balances.		Increase in Deposits.		Number of Open Savings Accounts.	
	At 31st May.	At 30th June.	In June.	In Year ended June	At 31st May.	At 30th June.
	£000	£000	£000	£000	000	000
1933	70,686	72,308	1,622	660	Not available.	
1937	79,979	81,952	1,973	1,952	1,218	1,218
1938	84,310	86,016	1,706	4,064	1,281	1,289
1939	86,097	87,474	1,377	1,458	1,324	1,330
1940	85,179	82,111	-3,068	-5,363	1,321	1,313

Minus sign (-) denotes decrease.



## PART III INDUSTRIES.

EMPLOYMENT. There was rapid re-employment after the resumption of coal production on May 20. The number of persons at work in New South Wales in the middle week of June was 856,400, having increased by 19,300 in the last month after decreasing by 28,600 between mid-March and mid-May, 1940. The number employed was 24,900 greater than a year earlier and a record for June. Over the year ended June private employees increased by 21,600 and public employees by 3,300.

Prior to the coal strike the development of war industries was promoting a strong upward trend of employment. In view of the greatly expanded programme of production of war materials (see manufacturing) this trend is expected to continue. Comparative particulars covering the war period are:-

	Aug.	Nov.	Jan.	Feb.	Mar.	Apr.	May	June.	Increase: Aug.-June.
Persons in Employment in New South Wales - Thousands.									
1937-38	808.8	835.6	819.8	833.8	835.2	835.8	835.6	839.5	30.7
1938-39	834.6	841.4	820.4	833.6	834.1	837.7	836.2	831.5	(-)3.1
1939-40	831.8	856.9	851.4	859.4	865.7	852.1	837.1	856.4	24.6
Increase 1938-39 to 1939-40	(-)2.8	15.5	31.0	25.8	31.6	14.4	0.9	24.9	...

Minus sign (-) denotes decrease.

From May to June, 1940 employment increased in most industries, but especially in factories and transport where effects of the coal stoppage had been most felt. (Details of factory employment are given in the next succeeding note.) In the appended table the distribution of employment in broad industrial classifications is given together with percentage changes from year to year since 1937. The increase in factory employment is the outstanding recent development, but the generality of the stimulus from war activities and the rising national income over the last twelve months is also evident.

## EMPLOYMENT IN NEW SOUTH WALES.

(Excluding Relief Workers and men in the Armed Forces not on Civil Paysheets).

Group.	Number of Persons Employed in middle week of					Increase from June of Preceding year.		
	June, 1937.	June, 1938.	June, 1939.	May, 1940.	June, 1940.	1938.	1939.	1940.
	000	000	000	000	000	%	%	%
Employment	800.4	839.5	831.6	837.1 x	856.4	4.9	-1.0	3.0
ate "	652.9	688.9	678.6	682.5 x	700.2	5.5	-1.5	3.2
Factories	216.9	229.0	229.0	225.7	234.5	5.6	...	2.4
s with Ten or Employees.								
nes	18.6	21.0	20.9	20.6 x	21.1	13.1	-0.5	1.0
tail Trade	49.9	51.9	51.7	51.8	51.6	4.1	-0.4	-0.2
olesale Trade	24.8	25.2	25.2	25.7	25.9	1.6	...	2.8
fices and Commerce	24.9	26.3	27.3	28.0	28.7	5.8	3.8	5.1
ipping & Rd. Transport	19.7	21.1	20.2	21.2	22.4	7.1	-4.3	10.9
ersonal Services (a)	27.5	29.1	29.8	30.1	30.5	5.8	2.4	2.3
ner Industries	19.7	20.5	19.6	18.6	18.3	4.1	-4.4	-6.6

(a) Professional, Hospital, Religion, Amusements, Hotels, etc.

(-) Denotes decrease. x Includes 14,000 coal miners idle owing to an industrial dispute.

# PART III (Continued)

MANUFACTURING INDUSTRIES. Affected by the coal strike (March 11 to May 17) the number of employees in factories in New South Wales decreased by 15,600 between the middle weeks of March and May, 1940. There was an increase from 225,700 in May to 234,500 in June. Thus in the first three weeks after the resumption of coal production 8,800 persons, or more than one-half the number displaced in the preceding two months, were re-employed. Factories had in their employ 5,500 more persons than in June, 1938 or 1939.

## EMPLOYMENT IN FACTORIES IN NEW SOUTH WALES.

	<u>June,</u> <u>1933.</u>	<u>June</u> <u>1936.</u>	<u>June,</u> <u>1937.</u>	<u>June,</u> <u>1938.</u>	<u>June,</u> <u>1939.</u>	<u>May,</u> <u>1940.</u>	<u>June,</u> <u>1940.</u>
Persons employed (000)	139.7	199.2	216.9	229.0	229.0	225.7	234.5
Index 1928-29 Number = 100.	77	110	120	127	127	125	130

War industries are expanding rapidly under a programme involving for Australia £50 m. and the employment of 150,000 persons in making arms and munitions, in addition to large scale production of aero engines and aircraft. Nine munitions annexes are working in New South Wales. Representatives of labour organisations have been added to State Boards of Management, a Controller of Welfare and medical adviser has been appointed by the Ministry of Munitions, and new Regulations under the National Security Act empower the Director-General of Munitions to recruit and train skilled personnel to assure an adequate supply of efficient labour for munitions works. On July 15 it was revealed that orders for munitions valued at £6.5 m. were being executed in Australia for the United Kingdom.

Factories producing textiles and clothing are also busy meeting defence orders which have been greatly enlarged by the decision to train a large force for home defence.

The following comparisons supply an indication of recent trends in manufacturing activity in New South Wales.

## EMPLOYMENT IN FACTORIES WITH TEN OR MORE EMPLOYEES - N.S.W.

Idle k of	Lime,Cement, Bricks, Glass, &c.	Chemi- cals,&c.	Indust- rial Metals.	Textile & Cloth- ing.	Food and Drink.	Wood- working etc.	Paper & Print- ing.	Rubber.
	Number of persons employed - Thousands.							
e,1935	8.04	5.20	44.00	30.46	22.32	8.10	11.76	2.74
1938	11.37	6.76	66.39	37.48	27.21	10.68	14.68	3.77
1939	11.64	7.15	62.14	36.97	27.66	10.10	14.73	3.59
., "	11.51	7.24	61.78	36.96	27.96	9.89	14.81	3.68
.,1940	11.99	8.55	66.30	39.61	31.05	9.95	15.15	4.13
., "	11.22	8.24	58.34	39.10	28.62	9.60	15.11	4.16
e, "	11.80	8.41	65.31	39.12	28.52	9.50	15.02	4.15

In 42 large factories the value of products sold in May, 1940 (£3.5m.) was a record for the month. The amount of sales for the five months ended May, 1940 (£17.32m.) was 13½ per cent. greater than in the corresponding period of 1939. Though 800 persons in these factories were rendered idle by the coal strike, the number employed and the amount of salaries and wages paid were slightly greater than in May, 1939.



## MANUFACTURING INDUSTRIES - NEW SOUTH WALES.

All Factories.			Forty-two Large Factories.					
June.			Month of May.			January to May (monthly average)		
Employment.		Index No.	Sales.	Employ- ees.	Wages Paid Weekly.	Sales.	Employ- ees.	Wages Paid Weekly.
Number								
1928-29 =			£000	000	£000	£000	000	£000
180,756		100						
139,744	✓	77	1,989	14.2	52.3	2,042	14.2	52.1
216,900		120	2,938	22.2	85.3	2,932	22.0	83.2
229,000		127	3,241	23.3	96.1	3,142	23.2	94.0
229,000		127	3,242	23.0	95.4	3,049	23.0	95.4
234,500	x	130	3,498	23.1	96.4	3,464	23.5	99.7

✓ June, 1933.    x Subject to revision.

## BUILDING PERMITS - METROPOLIS.

Note. Building permits exclude Government buildings.  
Permits totalled £11.44 m. in 1939-40 and £13.33 m. in 1938-39.

No clear general trend is apparent but there is less private building than in 1937-38 or 1938-39. Monthly totals have been irregular. Permits in June, 1940 (£960,000) declined, but for June Qr. the total exceeded that of Mar. Qr. or Dec. Qr. (1939-40). City building still lags. Non-residential buildings show some decrease; values for houses were barely maintained, and for flats, though showing revival recently, were below pre-war levels.

New dwellings proposed in June numbered 782 in 1940 and 1246 in 1939. The decrease from 11,091 in 1938-39 to 9,159 in 1939-40 was due mainly to a decrease of 1,483 for flat dwellings.

Government buildings contracted for in 1939-40 were valued at £1,053,000.

Building permits granted in Sydney and suburbs in June, 1940 (£960,000) were lower in value than in June of any year since 1935 though about the recent level and 17.3 per cent. above the average for the first seven war months (£818,000). There is, clearly, less private building than in 1938-39 or 1937-38, but this has been partly offset by buildings for defence and other public purposes (not included in these returns). Recent monthly totals fail to reveal a definite general trend. Quarterly comparisons of value are:-

	Mar. Qr.	June Qr.	Sept. Qr.	Dec. Qr.	Year ended June.
	£000	£000	£000	£000	£000
1937	1950	2986	3079	3245	10,173
1938	3106	3689	4053	3194	13,119
1939	2856	3230	3531	2603	13,333
1940	2324	2979			11,437

The total for city building proposals was greater in June than in any of the preceding seven months, but for the six months ended June was lowest for any year since 1934. Private building permits have also declined in the suburbs and in the half-year ended June were 7.9% lower in value in 1940 than in 1939.

/BUILDING.....

## PART III (Continued)

## BUILDING PERMITS GRANTED - SYDNEY AND SUBURBS.

	Month of June.					Half-year ended June.				
	1936.	1937.	1938.	1939.	1940.	1936.	1937.	1938.	1939.	1940.
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
City	218	431	137	139	122	1,306	1,153	1,468	857	487
Suburbs	818	624	1,003	1,131	838	3,587	3,783	5,327	5,229	4,816
Total	1,036	1,055	1,140	1,270	960	4,893	4,936	6,795	6,086	5,303

In December Quarter, 1939 and March quarter, 1940 the decline in the value of building proposals was felt in all sections of the Metropolis. In June quarter 1940, however, divisional totals were mostly comparable to those of one and two years earlier; exceptions were the continued low level for the city, some diminution in the Eastern suburbs and an increase in Outer Western Suburbs. Comparative statistics are:-

	City of Sydney.	Suburbs.					
		Inner industrial.	Illawarra Bankstown	Inner Western	Outer Western	Northern	Eastern.
		£000	£000	£000	£000	£000	£000
June, 1938	801	278	660	309	147	831	663
June, 1939	429	288	614	212	116	822	748
Oct., "	589	325	516	240	272	890	699
Mar., "	440	365	404	196	116	702	380
June, 1940	225	232	595	185	89	647	351
June, "	262	305	627	215	173	823	574

Analysis of permits in June, 1940 shows that the bias toward residential construction continued, though totals for houses and flats were less than in June, 1939, and the recent high level for wood and fibro houses was not maintained. There were increases in value for all classes (except shops and hotels, etc.) in comparison with March quarter, 1940, but decreases for each type of building other than houses compared with June quarter, 1939. The amount for flat buildings was much less than in June quarter of either 1938 or 1939.

## VALUE OF BUILDING PERMITS GRANTED - SYDNEY AND SUBURBS.

Period.	Houses.		Flats. (a)	Hotels, etc.	Shops. (b)	Factor- ies.(c)	Offices Theatres, etc.	Total
	Brick.	Wood, Fibro.						
	Value in thousands of Pounds.							
Month of -								
June, 1939	469	94	439	30	39	53	146	1270
" 1940	388	60	235	52	44	105	76	960
Quarter ended								
June, 1937	860	99	596	77	442	446	466	2986
" 1938	1351	232	925	289	151	292	449	3689
" 1939	1130	261	861	122	107	344	405	3230
Mar., 1940	1061	146	395	185	99	218	220	2324
June, 1940	1171	386	668	99	97	239	319	2979

Including (a) Conversions to flats (b) shops with dwellings and (c) public garages.

Particulars of the value of permits granted for the various types of buildings in the years ended June, 1937 to 1940 are appended. The percentages given in the last column of the table reveal significant decreases only in the cases of new flat buildings, hotels, etc., public garages and "other" buildings.

/VALUE.....



PART III (Continued)

VALUE OF BUILDING PERMITS GRANTED - SYDNEY AND SUBURBS.  
Including Alterations and Additions. Excluding Government Buildings.

Type of Building.	Year ended 30th June.				Movement; 1938-39 to 1939-40.
	1937.	1938.	1939.	1940.	
	£000	£000	£000	£000	Per cent.
Houses - Brick	3,669	4,760	4,659	4,492	(-) 3.6
- Wood & Fibro.	402	767	970	966	(-) 0.4
Hotels, Guest Houses &c.	84	392	779	532	(-) 31.7
New Flats	1,971	2,787	3,094	2,318	(-) 25.1
Conversions to Flats	152	151	88	95	(-) 8.0
Shops with Dwellings	210	190	291	213	(-) 26.8
Shops only	246	228	246	257	(+) 4.5
Factories	1,114	1,014	1,010	1,041	(+) 3.0
Public Garages	180	121	141	44	(-) 68.8
Other Buildings /	2,145	2,709	2,055	1,479	(-) 28.0
Total.	10,173	13,119	13,333	11,437	(-) 14.2

/ Offices, Theatres, Hospitals, Churches, Private Schools, etc.

Government buildings (State and Commonwealth) in the Metropolis, contracts for the erection of which were accepted in the year ended June, 1940 were of a total value of £1,053,000. Particulars by quarters distinguishing buildings for defence purposes are as follow:-

<u>Government buildings.</u>	<u>Sept.Qr.</u>	<u>Dec.Qr.</u>	<u>Mar.Qr.</u>	<u>June Qr.</u>	<u>Year 1939-40.</u>
	£000	£000	£000	£000	£000
Defence	27	129	50	108	314
Other	<u>460</u>	<u>119</u>	<u>23</u>	<u>137</u>	<u>739</u>
Total	<u>487</u>	<u>248</u>	<u>73</u>	<u>245</u>	<u>1,053</u>

DWELLINGS. An initial reaction to the war was a decrease in proposals for new dwellings. Housebuilding soon revived and in recent months flat building has increased again but the number of dwellings proposed has not regained the level of one and two years ago. Trends may be seen from appended periodic totals:-

	Houses.				New Flats.				All dwellings. /			
	Sept. Qr.	Dec. Qr.	Mar. Qr.	June Qr.	Sept. Qr.	Dec. Qr.	Mar. Qr.	June Qr.	Sept. Qr.	Dec. Qr.	Mar. Qr.	June Qr.
-38	1,488	1,343	1,400	1,730	888	1,116	1,087	1,498	2,471	2,510	2,547	3,307
-39	1,808	1,399	1,460	1,541	1,726	873	816	1,199	3,661	2,338	2,311	2,781
-40	1,636	1,210	1,238	1,678	1,132	604	528	938	2,843	1,887	1,775	2,654

/ Net additional dwellings (including dwellings with shops, hotels, etc. and conversions to flats.)

In June, 1940 there were 782 dwellings proposed, compared with 1,246 in June, 1939 and 1,130 in June, 1938. The number in June was less than in April or May, 1940, though otherwise greater than in any month of the war period. Some part of the recent increase in building for residential purposes is due to the attraction of property as an investment under existing conditions.

In the half year ended June, 1940 the number of net additional dwellings covered by permits (4,429) was 663 less than in 1939 and 1,425 less than in 1938. Details (appended) show that the falling off in flat building accounted for the greater part of the decrease:-

/METROPOLITAN.....

# PART III (Continued)

## METROPOLITAN AREA - PERMITS TO ERECT BUILDINGS CONTAINING DWELLINGS.

Type of Dwelling.	Half-year ended June -			
	1937.	1938.	1939.	1940.
	Number of Dwellings.			
Houses - Brick	1,562	2,365	2,123	2,029
Wood,Fibro, etc.	459	765	878	887
Total - Houses.	2,021	3,130	3,001	2,916
Flats - In New Flats	1,432	2,585	2,015	1,466
In Converted buildings	223	227	145	140
With Shops,Hotels,etc.	68	87	88	60
Total - Flats, etc.	1,723	2,899	2,248	1,666
Grand Total	3,744	6,029	5,249	4,582
Less Demolitions & Conversions	235	175	157	153
Net Additional Dwellings.	3,509	5,854	5,092	4,429

Trends in the provision of housing since 1929 show that recovery from the steep contraction up to 1931 was progressive up to 1938-39, but even then individual houses remained considerably below the pre-depression level, although the number of dwellings was greater owing to the large number of flats constructed. In 1939-40 in comparison with the preceding year the net number of dwellings proposed (9,159) was 17½ per cent. lower, mainly due to a decrease of 29 per cent. in the number of flat dwellings.

## ANNUAL NUMBER OF DWELLINGS PROPOSED - SYDNEY AND SUBURBS.

	Year ended Dec.		Year ended June.			
	1929.	Av.1930-34	1937.	1938.	1939.	1940.
Individual Houses	7,095	1,205	4,338	5,961	6,208	5,762
Flats,with Shops,etc.	3,097	656	3,759	5,250	5,191	3,708
Net Total (Deducting Demolitions)	9,854	1,839	7,693	10,835	11,091	9,159

MOTOR VEHICLES. New motor vehicles sold in June, 1940 averaged only 185 per week compared with 517 and 715 in June, 1939 and 1937 respectively. The decline, initiated in 1938-39 and hastened by the war and advancing prices of petrol and accessories, has become steeper in recent months as petrol rationing became recognised as inevitable.

## AVERAGE NUMBER OF NEW MOTOR VEHICLES REGISTERED - PER WEEK. (N.S.W.)

	Cars, Cabs and Omnibuses.						Lorries and Vans.					
	Jan.	Feb.	Mar.	Apr.	May.	June.	Jan.	Feb.	Mar.	Apr.	May.	June.
37	408	456	526	452	523	497	137	159	138	162	187	218
38	427	470	505	478	487	383	163	184	177	182	207	155
39	325	505	435	393	417	376	117	127	131	130	151	141
40	246	333	268	243	176	115	87	110	106	114	103	70

Exclusive of military and Air Force vehicles.

The Government's decision to ration petrol was announced on June 12, 1940 and details of the scheme were published a month later. The aim is to reduce consumption to two-thirds the pre-war level. The scheme is expected to come into operation on Sept. 1, 1940. Ration tickets will be issued each month on presentation of a consumer's license to be obtained previously from the Liquid Fuel Control Board in each State. Mileages (per annum) permitted by the ration which

/varies.....



# PART III (Continued)

varies according to horse-power will range from about 2,000 for private motorists to from 2,500 to 15,000 for business vehicles. There is a special classification for heavy commercial vehicles (30 cwt. capacity and more.) Examples for cars are:-

Private.	Up to 50% Business.	Over 50% Business.	Business.	Special Business.
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Approx. mileage per month by ration allowance.

160-170	240-270	375-400	560-600	1290-1320.
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In June, 1940, 2,402 cars, and 519 lorries and vans went off the register. At June 30, 1940 the number of registered motor vehicles in New South Wales was 318,234 or 10,985 less than in August, 1939. Particulars are:-

	<u>Cars</u>	<u>Lorries &amp; Vans.</u>	<u>Trailers</u>	<u>Tractors.</u>	<u>Cycles.</u>	<u>Total (Incl. Taxis, etc.)</u>
Aug. 1939	216,663	77,698	6,501	1,080	23,995	329,219
June, 1940	<u>209,510</u>	<u>75,590</u>	<u>7,129</u>	<u>1,209</u>	<u>21,552</u>	<u>318,234</u>
Movement	<u>- 7,153</u>	<u>-2,108</u>	<u>+ 628</u>	<u>+ 129</u>	<u>-2,443</u>	<u>-10,985</u>

The number of registered vehicles at various dates over the past seven years was:-

## NUMBER OF REGISTERED MOTOR VEHICLES IN NEW SOUTH WALES.

	1933.	1938.	1939.			1940.		
	July	June	June.	Aug.	Dec.	Apr.	May.	June.
	Thousands.							
Cars	148.2	204.6	216.0	216.6	216.6	213.6	211.9	209.5
Lorries and Vans	42.2	72.9	76.7	77.7	77.5	76.4	76.1	75.6
All vehicles	216.5	310.6	327.6	329.2	328.6	323.5	321.2	318.2

GAS AND ELECTRICITY. The amount of gas and electricity consumed in Sydney and suburbs in June, 1940 was 35 per cent. above the average for June, 1929-31 and a record for the month. It was not as great as prior to the coal strike as industrial activity was not fully regained in June. However, the steady increase which has occurred since 1932 is likely to continue as war industries expand. Normal growth due to increasing population, to wider reticulation and to greater use of power machines and appliances are other factors in the greater amount of gas and electricity consumed.

## INDEX OF CONSUMPTION OF GAS AND ELECTRICITY - SYDNEY & SUBURBS.

1929. 1932. 1936. 1937. 1938. 1939. 1940.

Index numbers: Average 1929-31 = 100.

Month of May	106	95	110	117	122	128	128
" June	103	99	114	124	127	131	135
Calendar Year	105	96	112	119	123	131	-

WIRELESS LICENSES current in New South Wales at 30th June, 1940 numbered 458,155, having increased by 2,993 during June, 1940. In the three months ended June there were increases of 10,845 this year, of 5,065 last year and of 8,475 in 1938. There is now approximately a license to every 6 persons in the State. Increases in the number of licenses from year to year were as shown below:-

/BROADCAST.....

PART III (Continued)

BROADCAST LISTENERS' LICENSES IN FORCE IN NEW SOUTH WALES.  
(Including Australian Capital Territory)

	<u>1932.</u>	<u>1934.</u>	<u>1936.</u>	<u>1938.</u>	<u>1939.</u>	<u>1940.</u>
	Number of Licenses - Thousands.					
In force 30th June	141.4	226.8	315.7	404.0	433.0	458.2
Increase in year ended June	29.0	48.8	37.1	45.7	29.0	25.2

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